



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Department Name:** Social Services  
**Department No.:** 044  
**For Agenda Of:** May 18, 2021  
**Placement:** Administrative  
**Estimated Time:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Daniel Nielson, Social Services Director  
Director(s) (805) 346-7101  
Contact Info: Laura Mejia, Administrative Services Operations Division Chief  
(805) 346-7609  
**SUBJECT:** Agreement with Northwoods Consulting Partners, Inc. for Document Imaging System and Hyland Software, Inc. for End User License Agreement for Subscription Software

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County Counsel Concurrence:

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize the Chair to execute an Agreement for Services of Independent Contractor with Northwoods Consulting Partners, Inc. for Document Imaging System for a total contract amount not to exceed \$918,963 for the period of May 18, 2021 through May 18, 2024;
- b) Approve and authorize the Chair, to execute the End User License Agreement for Subscription Software, Contract #: EU-0-22992527, with Hyland Software, Inc.;
- c) Authorize the Director of Social Services, or designee, to execute Contractor Change Requests as set forth in Exhibit A in the Agreement with Northwoods Consulting Partners, Inc., not to exceed \$38,165 in Year 1 and \$50,000 in each of Years 2 through 5;
- d) Authorize the Director of Social Services to review and approve additional two-one year options, not to exceed a total of five years in the amounts set forth in the Exhibit B in the Agreement with Northwoods Consulting Partners, Inc.; and

Auditor-Controller Concurrence:

As to form: Yes

- e) Determine that the activity is not a “Project” subject to California Environmental Quality Act (CEQA) review per CEQA Guideline Section 15378(b)(5), since the activity is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment.

**Summary Text:**

This item is on the agenda in order to approve and authorize the Agreement with Northwoods Consulting Partners, Inc. (Northwoods) for the implementation and installation of the Document Imaging (DI) System and Hyland Software, Inc. (Hyland) for End User License Agreement for Subscription Software for a total contract amount not to exceed \$918,963 for the period of May 18, 2021 through May 18, 2024. The purpose of the Department of Social Services (DSS) DI Project was to identify and analyze our document imaging processes and future imaging needs, due to the current DI system being at end of life. The project plan was presented and approved by the County’s Executive Information Technology Council (EITC) on June 3, 2020. This contract will enable DSS to replace its current system that is more than 14 years old and requires an unsupported Microsoft environment. Therefore, upgrades and modifications cannot be made. A full replacement of the system is needed and this solution provides current functionality as well as provides enhancements and improved efficiencies. DSS recommends that the Board approve the Agreement with Northwoods and Hyland.

**Background:**

DSS is currently using docSTAR3.9 for document imaging needs. The System is at the end-of-life (installed in 2007), and the vendor will not be able to provide any support to maintain the software or hardware. Current software cannot be migrated to the new operating system and the Windows security patches may cause the system to stop service.

The current docSTAR system hardware and software are past the end of support. DSS is unable to apply software releases or patch Windows security releases. This poses a risk to the users, such as:

1. No redundancy: Hardware failure will lead to service outage.
2. Application end of life: Any Windows security updates has the potential to break and stop service.
3. Even with security hardening efforts, forgoing security updates, in order to maintain continued service, is not an optimal ongoing strategy in the prevention of security risks to both DSS and County.

The docSTAR system is used by most of the program staff within DSS, such as, input and processing of various County, State or Provider forms; and court and case documents. If the current system were to fail DSS would struggle to complete its mandated documentation and could potentially lead to subpar decisions that could result in safety issues and increased liability.

1. Documents will no longer be accessible by staff to continue to provide case management services to their clients in the Social Services Programs.
2. Important internal Human Resource documents would be lost.
3. DSS would need to revert to paper filing, which would require transporting confidential information in and out of the office, increasing the risk of a breach of confidential information.
4. Teleworkers would not have access to files making it difficult to complete their job duties.

In an effort to mitigate these outcomes, a DI Project was created with the purpose of identifying and analyzing DSS’s document imaging processes and future imaging needs. The DI Project conducted a needs/gap analysis for DSS non-CalWIN programs (Administrative Services and Adult and Children’s Services).

Based on the needs analysis, an RFP was developed and released for vendor bidding on August 3, 2020 to provide a DI system replacement. Four proposals were received and following a comprehensive evaluation process, Northwoods was selected as the contractor for the DI implementation of the OnBase Cloud platform for the DSS non-CalWIN programs.

For DSS CalWIN programs (Medi-Cal, CalFresh, Foster Care, and CalWORKS), the State will be implementing CalSAWS, a Statewide eligibility system in 2023. All counties are mandated to use CalSAWS, and this new automated system will have document imaging capabilities. However, the other programs (Child Welfare Services, In-Home Supportive Services, Adult Protective Services, Human Resources, and Fiscal) will need a separate DI system. The CalSAWS project also selected and will be utilizing the OnBase platform as the integrated imaging solution.

The OnBase system is a cloud service. The benefits of using a cloud service versus an on-premise software is that additional data storage is not necessary and minimal DSS IT support is needed. Additionally, DSS is ensured that the most up to date security mechanisms are in place and the software is kept at the most current version. DSS will continue to own all the data.

As depicted in the chart below, the cost of implementation is \$209,610. The license cost per year is \$172,036 for years one through three, \$177,197 for year four and \$182,513 for year five for a total of \$875,513. Contingency for potential increases in the number of licenses needed and/or additional labor for consulting in year one is \$38,165. Ongoing consultant services will cost \$50,000 in years two through three.

Elements	Year 1	Year 2	Year 3	Year 4	Year 5
Software	\$172,036	\$172,036	\$172,036	\$177,197	\$182,513
Labor	\$209,610	\$55,080			
Contingency	\$38,165				
Ongoing Consultant Services		\$50,000	\$50,000	\$50,000	\$50,000
Total Per Year	\$419,811	\$277,116	\$222,036	\$227,197	\$232,513

In year two, the DSS will add the forms and workflow functionality for \$55,080. This added functionality will allow forms used by DSS to be created within the system and build workflows for forms to be routed automatically for review and approval.

Northwoods has focused on creating and delivering modern technology solutions to automate and modernize the DI element of social services agencies since 2003. Northwoods’ background is rooted in social services, employing former caseworkers, supervisors, and directors. As a result, they keenly understand the pressures associated with increasing caseloads, shrinking budgets and compliance issues. The OnBase platform, developed by Hyland Software, is a unified platform composed of individual modules. As such, it is a flexible and easy-to-use electronic document management platform. Because of its modularity, OnBase is expandable, scalable, and capable of integrating with other systems. As a solutions partner

and authorized reseller of the OnBase platform, Northwoods shall create and implement solutions that will meet the following DSS specific business needs.

- Capture, index, and store documents.
- Apply document, folder archival, and deletion business rules.
- Perform full-text searches across multiple documents.
- Facilitate complex forms and workflows that support worker business processes.
- Generate detailed reports using an intuitive dashboard.
- Effectively audit a document’s history as it progresses through the agency.

**Performance Measure:**

As defined in the Statement of Work, Work Requirements:

- Phase 1 Startup: Identify teams, timeline and resources.
- Phase 2 Design: Define objectives and responsibilities for designing the business and system requirements for the Document Imaging Solution Project.
- Phase 3 Test: Execute a comprehensive set of functional and operational tests.
- Phase 4 Deploy: Install, including an iterative, multilayered approach to training and implementation support.
- Phase 5 Closeout: Project Acceptance.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Subsequent Years</u></b>		<b><u>Total</u></b>
	<b><u>Current FY Cost:</u></b>	<b><u>Contract Cost:</u></b>	
Federal	\$ 54,391.43	\$ 293,895.55	\$ 348,286.98
State	\$ 19,374.26	\$ 104,685.75	\$ 124,060.01
General Fund	\$ 10,045.91	\$ 54,281.50	\$ 64,327.41
2011 Realignment	\$ 36,882.84	\$ 199,290.65	\$ 236,173.49
1991 Realignment	\$ 4,735.93	\$ 25,589.85	\$ 30,325.78
Fund Balance	\$ 18,082.64	\$ 97,706.70	\$ 115,789.34
<b>Total</b>	<b>\$ 143,513.00</b>	<b>\$ 775,450.00</b>	<b>\$ 918,963.00</b>

Narrative: Approval and execution of this Agreement will result in total direct contract expenditures of no more than \$143,513 in Fiscal Year 2020/2021. Appropriations and associated funding for Fiscal Year 2020/2021 are included in the DSS adopted budget. This Agreement will be funded with 80.4% outside funding and 19.6% local funds. The breakdown of specific funding sources are; federal (37.9%), state (13.5%), general fund (7.0%), 2011 Realignment/Sales tax (25.7%), 1991 Realignment/Sales tax (3.3%), and Fund Balance (12.6%).

**Key Contract Risks:**

The Northwoods Agreement contains a limitation of liability provision under section 15. This limitation of liability provision will cap Northwood’s liability to an amount the County paid to Northwood the 12 months preceding an incident triggering liability. This liability cap, however, does not apply to Northwoods’ indemnity obligations to the County, breach of its confidentiality obligations, refusal to

comply with contractual terms, fraud or gross negligence, failure to comply with laws, insurance obligations, and property or personal injury claims. Section 16 includes a revised Cyber/Security Breach Indemnification.

DSS has also determined that Hyland is a medium risk vendor, per completion of the risk assessment worksheet. The Hyland Agreement contains a limitation of liability under section 5. This limitation of liability provision will cap Hyland's liability to an amount the County paid to Hyland the 12 months preceding an incident triggering liability. The liability cap will not apply to Hyland's indemnification obligations or confidentiality obligations. Section I to Attachment B of the Hyland Agreement includes an indemnification provision for intellectual property infringement. The standard indemnification and insurance requirements for Information Technology Agreements has been revised with RISK approval.

**Staffing Impacts:**

**Legal Positions:**

0

**FTEs:**

0

**Special Instructions:**

Please scan, email and send one (1) duplicate original Agreement, and a copy of the minute order to:

DSS Contracts Unit

C/O Emma Duncan

[e.ducan@sbcsocialserv.org](mailto:e.ducan@sbcsocialserv.org)

2125 S. Centerpointe Parkway, 3<sup>rd</sup> Floor

Santa Maria, CA 93455

**Attachments:**

1. Attachment - Agreement with Northwoods for DI System
2. Attachment – Hyland End User License Agreement

**Authored by:**

Laura Mejia, Administrative Operations Manager

Emma Duncan, Contracts Coordinator